

NAFTA AND NATIONAL IDENTITY

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NAFTA – the North American Free Trade Agreement – took effect on the 1st of January, 1994, linking the United States, Canada and Mexico in the world's largest free trade zone with a population of more than three hundred sixty million. The main objective of NAFTA was to enable the free flow of goods and services by removing or substantially reducing taxes and tariffs. The preamble of the agreement states that the governments of the countries “resolved to strengthen the special bonds of friendship and cooperation among their nations”. From the very beginning of the negotiations it was obvious that this “cooperation among nations” could not be achieved without respect for each other.¹

The Canadians aware of the economic and cultural power of the United States, attempted to establish a way in which to protect their national and cultural identity. This attitude should not be astonishing. The total arts and cultural activities in Canada during the fiscal year of 1992–1993 generated revenues of 16 billion Canadian dollars, while the revenues generated two years later in New York State alone amounted to 13 billion US dollars. American commercial cultural industries such as Hollywood films, pop, rock or country music generate incredibly high income, and the removal of all barriers could have overshadowed Canadian cultural production. (It suffices to mention the one billion two hundred dollars earned by *Titanic*; *note bene* a film made by a director born in Canada – **James Cameron**).²

This considerable danger was especially visible in T.V. and film productions. It was also quite possible that the flow of books and newspapers could threaten Canadian publishing companies. It was easier for Canada to establish regulations protecting its cultural life since, in the former Free Trade Agreement between the USA and Canada signed in 1987, the US had granted Canada a provision to protect its culture. Canada has carried the provision into NAFTA and is using it selectively to restrict the US entertainment and media business from growing in Canada. The US has tried to renegotiate this aspect of NAFTA but to no avail as Canada has refused.

After a couple of years of NAFTA's existence it turned out that cultural identity was not as simple as had been previously assumed. In 1997:

- Three quarters of the television watched every night by Canadians was of foreign origin, usually American.
- Four out of every five magazines sold on the newsstands in Canada were foreign magazines, usually American.

¹ *Canada Year Book 1997*, Ottawa: Statistics Canada 1997, p. 292.

² *Ibidem.*, pp. 224–238; *You Gotta Have ART!*, New York: McKinsey & Company 1997, p. 1.

- Foreign films took up 96 percent of the screen time in Canadian movie theatres, mainly from the United States.
- Seventy percent of the content on Canadian radio stations was non-Canadian, usually from the United States.

Thus, in spite of the provisions inserted by Canada there emerged the feeling that Canadian culture and identity were in danger. Even the former negotiator, Mel Clark, came to the conclusion that Canadian culture was not protected under NAFTA and published his open letter to Prime Minister Jean Chrétien. He stated that NAFTA gave Americans the unilateral right to decide if a Canadian protection of cultural identity was inconsistent with the Agreement, with no possibility for Canada to discuss such accusations. It was seen by Clark as "putting Canadian culture, national identity, sovereignty and pride at risk."³

But, on the other hand, during this period Canada experienced rapid growth of cultural activities. Also in 1997:

- Television series produced in Canada were doing better than ever before, both domestically and internationally, (e.g. *The X-Files*).
- More than three-quarters of all magazines read regularly by Canadians were delivered to their homes through subscriptions and controlled circulation; 94 percent of these were Canadian-owned publications.
- Canadian-owned companies produced approximately 29 percent of the films shown in Canadian theatres. On a weekly basis, Canadian-owned distributors distributed approximately 30 percent of the top-grossing films in Canada.
- Canada's exports of cultural goods and services exceeded \$3 billion, an increase of almost 100 percent since 1990. The United States represented more than 80 percent of this market.⁴

The cases of Country Music Television and *Sports Illustrated*, which faced legal barriers preventing them from expansion in Canada, prove that efforts to protect cultural industries were quite efficient. But one should remember that the US entertainment industry, in response to the barriers on CMT and *Sports Illustrated* requested compensation of 503 million to 787 million dollars.

Cultural industries can, and rather should, be considered as a branch of the economy related to culture but with the obvious goal of achieving the highest possible profit. One cannot disagree with the opinion that these industries shape pop-culture, especially modern public and private television. Protecting cultural industries, however, is not the same as protecting culture itself and cultural identity. Culture and art are very often the product of what is referred to as *non-profit* sector. With the support of public money *non-profit* institutions and groups create opportu-

³ *Canadian Culture Not Protected Under NAFTA*, <http://infoweb.magi.com/~ccpa/articles/article60t.html>, (12 April 2001).

⁴ R. Atkey, *Canadian Cultural Industries Exemption From NAFTA – Its Parameters*, "Canada-US Law Journal", Vol. 23, 1997, pp. 177–200.

nities for everyone to be involved in cultural life, to participate in the process of creation and even to stimulate one's own talents.⁵

We can easily notice the great difference between the United States and Canada. While an impressive amount of public money is spent on culture and the arts in Canada, such support in the United States is very restricted. In the mid-nineties all three levels of the Canadian government spent a combined \$5.8 billion dollars on culture, while public support for the arts in the United States did not reach even one billion dollars. At present the US federal and state governments spend on culture less than 2 dollars *per capita*. The examination of cultural programs administered by state or provincial authorities can show if there is any reflection of the influence of NAFTA on cultural policies and the problem of national identity on both sides of the Canada-United States boundary.

The New York State Council on the Arts is a funding agency that supports the activities of non-profit arts and cultural organizations in New York State and helps to bring high-quality artistic programs to the citizens of the state. The Council defines its mission as: "to prevent and expand the rich and diverse cultural resources that are and will become the heritage of New York's citizens." Having assumed this mission the New York State Council on the Arts further defines its goals, which are mainly to developed vital ecosystem of individual artists and cultural organizations that support the creation, presentation, critical review, and distribution of arts and culture, and strive to make art and culture accessible for all citizens of the state. The support of the Council is restricted to initiatives that are to take place within the boundaries of New York State. There are no possibilities of spending state money on projects that are to be realized in other states, not to mention other countries.⁶

The present policy of the Council stresses the necessity of preserving the cultural diversity of the state. For this is reason the State of New York substantially supports the program on **Folk Arts**, which is committed to maintaining the extraordinary cultural and stylistic diversity of New York State's folk arts and has as its primary mission to support activities that present and perpetuate traditions within communities. Another program with substantial support is **Special Arts Services**, which aims to enrich the artistic pluralism of the State by supporting the professional arts activities of African/Caribbean, Latino/Hispanic, Asian/Pacific Islander, Native American/Indian, and other communities seeking to perpetuate distinct ethnic traditions.

One can easily notice that the program of the New York State Council on the Arts does not take into consideration the existence of NAFTA and the possible influence of Canadian culture and art, or the possibility of collaboration with Canadians. This issue lies absolutely behind the interest of this state agency.

The Pennsylvania Council on the Arts (PCA), another US state agency devoted to art and culture, seeks to foster the excellence, diversity and vitality of the arts in Pennsylvania and to broaden the availability and appreciation of those arts through-

⁵ *New York State Council on the Arts 1996/1997 Funding Report*, New York: New York State Council on the Arts 1998, p. 5.

⁶ *New York State Council on the Arts*, New York: New York State Council on the Arts 1999, pp. 1-2.

out the state.⁷ Its goal is defined as to "help encourage, maintain, strengthen, and otherwise support many types of arts organizations to make maximally accessible to all Commonwealth citizens arts programs of highest-possible quality, with special priority to be given to those which reflect the traditional arts and to those which nurture the folk life, folk arts, and aesthetic heritages of diverse ethnic groups throughout the Commonwealth." Similar to the New York State Council, the Pennsylvania Council does not support any programs outside the state. They do not support international initiatives, either.⁸

The Ontario Arts Council is organized on a basis similar to that of the United States. It is an agency financed by the Ontario Ministry of Tourism, Culture and Recreation, enjoying great independence. The aim of the Council is to support artists and organizations involved in the arts in Ontario. Although people asking for support do not need be residents of Ontario, their initiative should be directly connected with the province. Because Ontario is home to almost 40% of all Canadian artists, the activity of the Ontario Council is a very important factor in developing and shaping Canadian culture. The goals of the Council are restricted, however, to the enjoyment and benefit of Ontarians.

Similarly to its US counterparts, the Ontario Arts Council is not interested in supporting any activity crossing the frontier. Programs administered by the Council do not reflect the possibility of cooperation among the country-members of NAFTA.⁹

There are, however, some specific features one cannot find in the programs of the Pennsylvania and New York State Arts Councils. Ontario puts a great deal of stress on facilitating the development of aboriginal art. Both in Pennsylvania and New York State there exists groups of Native Americans, but their artistic activities, however, are not financed by special programs of their arts councils.¹⁰

The Second difference reflects the multiculturalism of Canada. The Ontario Arts Council offers a special program for the French-speaking community of Ontarians, the aim of which is to encourage Francophone artists in Ontario to present their achievements in public. It is clearly stated that the program is created in favour of this particular group of citizens. In this way, Ontario strives to support an ethnic minority within its own boundaries.

The situation in another Canadian province – Quebec – appears to be totally different. This province has organized its support for the arts in a slightly different manner, resembling that of Europe. There is a Ministry of Culture and Communication which is responsible for assisting the arts, artists and culture and for arranging a legal framework for the development of the arts. The difference in organization is

⁷ *PCA's Long Range Strategic Plan: 1995–2000*, Harrisburg: Pennsylvania Council on the Arts 1995, p. 3.

⁸ *PCA Goals*, http://www.artsnet.org/pca/pca_goals.html, (11 April 2001).

⁹ *About the Ontario Arts Council*, <http://www.arts.on.ca/english/about/aboutoac.htm>, accessed (18 April 2001);

OAC Services, <http://www.arts.on.ca/english/about/OACservices.htm>, (18 April 2001).

¹⁰ *Welcome to the Ontario Arts Council, Aboriginal Arts*, <http://www.arts.on.ca/english/artsprograms/aboriginalarts/intro.htm>, (12 April 2001).

also reflected by the amount of money spent on culture. Although not as populated as Ontario, Quebec's expenditures are 35% higher than those of Ontario.¹¹

The fundamental principles of the Ministry are defined by considering:

- the French language to be the heritage and the means of communication;
- history to be the collective memory of citizens;
- and the exchange of knowledge to be the means of creating culture and civilization.

These assumptions forms the base of the mission of the Ministry which is to provide access to the various cultural activities and to enable citizens to participate in the cultural life of the province. It aims also to develop the highest possible quality in the arts. Quebec states that the projected goals can be achieved only through the cooperation of both the federal and provincial governments and all the communities of the province.¹²

The Quebecois Ministry is the only one engaged in international collaboration within the fields of arts and culture. This involvement is seen as a means of promoting art of Quebec and the province itself. It is also regarded as one of the most efficient ways of strengthening democracy around the world. For of these reasons the Ministry strongly supports artistic joint initiatives with newly independent countries. We should notice, however, that the strategic goals of the Ministry of Culture and Communication do not refer to NAFTA as the framework for possible cultural collaboration.

The examples of four agencies in the USA and Canada prove that the *not-for-profit* sector in the arts almost completely neglects the presence of the North American Free Trade Agreement. The provisions inserted by Canadian government into the agreement were in fact intended to protect cultural industries rather than the cultural activities of the nation. NAFTA influence upon culture, or rather the lack of such influence, leads to the conclusion that there is no not efficient way of protecting national culture or identity by means of creating barriers.

The history of NAFTA reflects another problem concerning cultural activities and possible threats to cultural identity. In 1994 no one could predict the rapid development of the Internet and the use of this method of communication in arts and culture. Nowadays it is as easy to read on-line US newspapers and magazines in Canada as in any other country around the world. With on-line radio stations already in existence, one can be sure that there will be on-line T.V. stations in the near future. The use of the Internet, rather than being a force undermining the art, culture and national identity, could turn out to be a means of prolific interstate and international collaboration.

¹¹ *Canada Year Book*, op.cit., p. 461.

¹² *Notre patrimoine, un présent du passé*, <http://www.politique-patrimoine.org/html/Rapport/Rapport.html>, (12 April 2001);

Mission du ministère – Culture et Communications, <http://www.mcc.gouv.qc.ca/minister/mission.htm>, (18 April 2001);

Bienvenue au ministère – Culture et Communications, http://www.mcc.gouv.qc.ca/minister/ind_min.htm, (18 April 2001).

Thus, US-Canadian cultural relations after the signing of NAFTA prove that there is a substantial difference between cultural business/industry and culture and art. Provisions added by Canada to the Agreement were intended to protect arts business and, in fact, this kind of protection turned out to be sufficient. On the other hand, the vast sphere of *non-profit* art and culture was not mentioned in the North American Free Trade Agreement, and the practice of both US and Canadian arts councils (or ministry, as in Quebec) shows that the possibility of co-operation with the neighbouring country is not the goal of their activity. No one supports collaboration and no one seems to fear foreign *non-profit* art.

The example of Canada as a member of NAFTA proves that the vitality of cultural activity lies in communities rather than in the treaties signed by governments, and that there are no direct ways in which government can stimulate or protect a nation's cultural identity.

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WEB SITES OF ARTS AGENCIES:

- New York State Council on the Arts – <http://www.nysca.org/>
 Pennsylvania Council on the Arts – <http://www.artsnet.org/pca/pca.html>
 Ontario Arts Council – <http://www.arts.on.ca/english/about/aboutoac.htm>
 Ministère de la Culture et des Communications – <http://www.mcc.gouv.qc.ca/>

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